

Message Text

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PAGE 01 ANKARA 01848 121323Z
ACTION XMB-04

INFO OCT-01 EUR-12 ISO-00 EB-08 /025 W
-----121335Z 012252 /41

P R 111200Z MAR 77
FM AMEMBASSY ANKARA
TO SECSTATE WASHDC PRIORITY 6737
INFO AMCONSUL ADANA

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FOR EXPORT-IMPORT BANK: CLAYTON NORRIS, VICE PRESIDENT

E.O. 11652: N/A
TAGS: BEXP,EFIN, TU
SUBJECT: EXPORT-IMPORT BANK LOAN TO CUKUROVA ELEKRIK

REF: STATE 44791

1. DESPITE REPEATED EFFORTS, EMBASSY TO DATE HAS NOT
SUCCEEDED IN GETTING STATEMENT FROM FINANCE MINISTRY
AT HIGH LEVEL ON WHETHER OR NOT MINISTRY WOULD GUARANTEE
EXIMBANK LOAN TO CUKUROVA ELEKTRIK FOR PURCHASE OF GENERAL
ELECTRIC TURBINE AND BOILER. EMBASSY RECOMMENDS THAT EXIMBANK
ASSUME THAT SUCH A GUARANTEE WILL NOT BE FORTHCOMING.
EMBASSY MUST ALSO CONCLUDE THAT FINANCE MINISTRY WOULD
NOT ACCEPT LOAN IN BEHALF OF CUKUROVA.

2. UNDER SECRETARY OF FINANCE SABAHATTIN ALPAT HAS HAD
TO SEEK ADVICE OF FINANCE MINISTER, WHO HAS NOT YET
PRONOUNCED ON ISSUE. THREE MIDDLE RANK OFFICIALS IN
IN MINISTRY BELIEVE, HOWEVER, THAT MINISTRY GUARANTEE
IS NOT LEGALLY POSSIBLE UNLESS GOT HAS AT LEAST 50-PERCENT
INTEREST IN COMPANY.

3. TURGOT YEGENAGA, BOARD CHAIRMAN, CUKUROVA ELEKTRIK,
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HAS INFORMED EMBASSY THAT FINANCE MINISTRY OFFICIALS
TOLD HIM FEBRUARY 25 THAT THEY WILL DEFINITELY NOT
GUARANTEE LOAN TO CUKUROVA OR OTHER FIRMS WHICH THEY
REGARD AS PRIVATE.

4. YEGENAGA ADDED, HOWEVER, THAT GOVERNMENT-OWNED ETIBANK
AS WELL AS AKBANK AND TICARET BANKASI, BOTH

PRIVATE COMMERCIAL BANKS, ARE EACH READY TO GUARANTEE
FULL AMOUNT OF EXIM LOAN OR TO PARTICIPATE IN JOINT
GUARANTEE.

5. EMBASSY RCOMMENDS THAT EXIMBANK, AS RESONABLE
FALLBACK POSITION, REQUEST CUKUROVA TO ARRANGE ETIBANK
GURANTEE. YEGENAGA IS GREATLY CONCERNED THAT
CITIBANK WILL BE UNWILLING TO RENEW ITS
LETTER OF COMMITMENT WHICH EXPIRES MARCH 15 IN CONTINUED
ABSENCE OF FIRM EXIMBANK FINANCING AND THAT EXIM HESITATION
WILL PREJUDICE ALTERNATIVE COMMERCIAL FINANCING. GENERAL
ELECTRIC REPRESENTATIVES RECENTLY IN TURKEY (ROBERT L.
STEER, SENIOR POWER ENGINEER FROM INTERNATIONAL SALES
DIVISION IN NEW YORK AND STEPHEN D. HAYWOOD IN CHARGE OF
CUKUROVA SALE FOR SAME OFFICE) EXPRESSED WORRY THAT
GE, WHICH HAS RISKED INCURRING EXPENDITURES ON PROJECT
BEFORE FINANCING PACKAGE WAS ARRANGED, WOULD FIND
CUKUROVA UNABLE TO GIVE JOB TO GE FOR LACK OF FINANCING.
IN VIEW OF FACT THAT ETIBANK IS TURKISH GOVERNEMTN
INSTITUTION, IT WOULD APPEAR TO EMBASSY THAT GUARANTEE
FROM ETIBANK WOULD BE REASONABLE SOLUTION OF IMPASSE.
MACOMBER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC ASSISTANCE, LOANS, ELECTRIC POWER PLANTS
Control Number: n/a
Copy: SINGLE
Sent Date: 11-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977ANKARA01848
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770086-0126
Format: TEL
From: ANKARA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770371/aaaackcr.tel
Line Count: 84
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: e8e23dba-c288-dd11-92da-001cc4696bcc
Office: ACTION XMB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
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Retention: 0
Review Action: RELEASED, APPROVED
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Review Date: 05-Apr-2005 12:00:00 am
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Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
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Secure: OPEN
Status: NATIVE
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TAGS: BEXP, EFIN, TU, US, XMB
To: STATE
Type: TE
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